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Press Release

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**ATTORNEY GENERAL DARRELL MCGRAW FILES LAWSUIT
TO SEIZE FUNDS HELD BY DELINQUENT FUNERAL HOME.
BUSINESS REPEATEDLY REFUSED TO DISCLOSE
TRANSACTIONS DESPITE NUMEROUS WARNINGS.**

Attorney General Darrell McGraw filed suit today against F.E. Runner Funeral Home, Inc., and its owner, Cheryl Runner-Kittle ("Runner"), in the Circuit Court of Randolph County. The lawsuit alleges that the funeral home refused to abide by state laws that enable the Attorney General's office to monitor funds paid by consumers in advance for funeral arrangements.

When a funeral home accepts payment in advance from a consumer for funeral goods and services, it must enter into a preneed funeral contract with the consumer and immediately submit a copy of the contract to the Preneed Funeral Services Division of the Attorney General's Office ("Preneed Division"). The money must be placed in trust and, once the contract is serviced, the funeral home has to file a report with the Preneed Division to account for how the money was spent. These requirements allow the Preneed Division to monitor the consumer's funds in order to ensure that the funeral home is not misappropriating the money. Funeral homes are also required to obtain a special license and certificate of authority from the Preneed Division to sell preneed funeral contracts.

When Runner failed to renew her license and certificate of authority last year, Attorney General McGraw's office audited Runner's books and discovered a number of contracts that she had failed to disclose. In addition, Runner had failed to report withdrawals of consumers' money for over sixty (60) funerals she had serviced over a four-year period. Following the audit, the Preneed Division warned Runner numerous times that she must follow disclosure requirements and submit the missing documents. However, in the six months following the audit, Runner has never fully complied with the law.

Because of Runner's habitual refusal to obey disclosure laws, Attorney General McGraw's lawsuit seeks to forever ban her from accepting prepayments from consumers for their funeral purchases, and to seize all preneed contract funds from the funeral home in hopes of preventing any future mishandling of funds. The suit also seeks restitution for any consumers who may have been harmed by Runner's conduct, as well as civil penalties and punitive damages for repeated violations.

Any customer of F.E. Runner Funeral Home suspecting that their prepayments may have been misappropriated should contact the Attorney General's Consumer Hotline at (800) 368-8808 or (304) 558-8986.

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